

became quite obvious to me that, yes, teenage smoking is a problem. But it is not nearly the problem in America that is caused by the use of illegal drugs and alcohol among young people today. As a matter of fact, if we visit any juvenile facility around the United States, on the average 63 percent of juveniles in every juvenile facility were using drugs on a regular basis before going to that facility.

I firmly believe that while teenage smoking is a problem, the major problem facing teenagers today is the use of illegal drugs and alcohol. Yet despite that, the mobilization against a single legal industry, the tobacco industry, by a President, a Vice President, a former FDA commissioner, Surgeon General, trial lawyers, 40 State attorneys general, and other organized groups may be a first in America.

The wartime fervor with which the antitobacco movement pursues its aims, its deployment of extreme measures, including punitive legislation and coordinated lawsuits, is unprecedented in our country. The issue is much more than simply teenage smoking and the reduction of teenage smoking. These groups want to punish this industry.

Now, last July representatives of the tobacco companies sat down with 40 State attorneys general and various trial lawyers and various health care groups and under the auspices of the White House to see if they could reach an agreement to reduce teenage smoking in America. And they did reach an agreement, and it was a historic agreement in many ways. And yet I would say that I doubt that 1 percent of the American people know what the tobacco industry agreed to do in those negotiations. I want like to review that for the American people this evening.

First of all, the tobacco industry agreed that they would pay \$368 billion every 25 years forever. And from that money, some would go to the States to reimburse them for Medicaid costs, but a lot of the money would go for programs to help teenagers be educated about tobacco, to help teenagers stop smoking this product and maybe not even begin to smoke it.

Second of all, the industry agreed that the FDA, the Food and Drug Administration, would be able to regulate tobacco, going far beyond the FDA rules to regulate tobacco initiated by former Commissioner Kessler. The agreement went far beyond that.

In addition, the industry agreed that a third-party entity, a health care entity, would be able to set goals to reduce teenage smoking each year by a certain percentage point. And if the industry were not able to reach that goal, if the goal was not reached, the industry would pay \$80 million per 1 percentage point that that target was missed. That is even considering that the industry does not necessarily control teenage smoking. Yes, we live in a country that even teenagers have some responsibility and can make a decision of are they going to use the product or

not, knowing full well that it is not healthful to use. But the industry agreed they would pay \$80 million for every percentage point missed.

In addition, they agreed to pay \$5 billion a year into a trust fund for payments to pay off court judgments. In addition, they said that they would voluntarily sign consent decrees waiving their constitutional right to advertise their product.

In addition, they said they would sign consent decrees to voluntarily waive their right to lobby the Congress. Every constituent, every citizen in America has a right to lobby the Congress, to petition government, and they agreed to give that up too.

But despite all of those things, the antitobacco groups now are going forward and saying "We want more out of this industry." I want to urge them to focus more on helping us reduce teenage smoking and the use of illegal drugs and stop trying to punish an industry.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mrs. MORELLA) is recognized for 5 minutes.

(Mrs. MORELLA addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. WELDON) is recognized for 5 minutes.

(Mr. WELDON of Pennsylvania addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### THE BALANCED BUDGET

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Wisconsin (Mr. NEUMANN) is recognized for 60 minutes as the designee of the majority leader.

Mr. NEUMANN. Mr. Speaker, I rise tonight to talk about an issue that is very much on the forefront in America. We are hearing a lot about the fact that the budget is finally balanced. We know that in 1995 when many of us came here there was this discussion that we were going to balance the budget by the year 2002, and now we are hearing in America that the budget is balanced today.

That is good news for the American people, and I would like to spend most of the hour tonight talking about what it actually means to have a balanced budget and how Social Security fits into this discussion. And I guess most important of all, like I found out in my town hall meetings back home, we had 14 of them over the last week, how it is that Washington's idea and definition of a balanced budget, albeit the same since 1969, is very different than what the people in Wisconsin think and probably what most of America thinks in terms of a budget being balanced.

I thought I would start with a chart that shows what it was like in 1995 when we first got here. In 1995 when we first got here, the President made a budget projection and he presented us his version of what we should be doing. This red line shows where the deficit was headed in 1995 when we got here, if we had played golf, basketball and tennis instead of doing our job. But we did not play golf, basketball and tennis. We fought hard to get Washington spending under control.

Over a two-year period of time we brought the growth rate of Washington spending down by virtually 50 percent. In two short years it came from 5.2 percent, that is how fast it was growing when we got here, down to 2.8 percent. That is how fast it is growing today.

This yellow line on the chart shows what happened in our first 12 months in office, and my colleagues can see the deficit projections were coming down already after only 12 months in office.

The green line shows what we had hoped to accomplish, and that is the plan that we laid out when we got here to get to a balanced budget by the year 2002. And virtually all of America heard about it, but our constituents said, "I do not believe they are going to do it." That is what they said back home.

The facts are in, and for the last 12 months running we not only got to a balanced budget by 2002, we are actually there four years ahead of schedule. Remember, this is the Washington definition of a balanced budget. For the last 12 months running, the United States Government spent less money than they had in their checkbook for the first time since 1969.

Now, when I get into this discussion about how this relates to Social Security, many of us are not going to like the Washington definition very well. But this should in no way take credit away from the fact that this has been done for the first time since 1969.

□ 1900

In 1969, I was a sophomore in high school dating the young lady who now happens to be my wife so I know that was a long time ago, the last time this actually happened, and America should be cheering for this. We have come so far in such a short period of time.

I would like to focus on what this actually means because there seems to be a lot of disagreement, and Lord only knows, a lot of misunderstanding on exactly what this means when we say we have a balanced budget. I would like to start with exactly what Washington's definition of a balanced budget is.

I come from the business world. This is the first office I have ever held. We were a home-building business. We would not have defined it in the same way that Washington does out there in the business world. Washington looks at the total number of dollars coming in, at the total amount of taxes the American people pay. They add up all of that money coming in. Then they